

PBCA Acceptable Quality of Work Levels Attachment 2

Purpose: This is to define the acceptable quality of work levels expected of the PBCA during performance of the core functions in the ACC. HUD expects the PBCAs to meet these levels for the work to be considered acceptable. Only acceptable work submitted on time meets the AQL for that IBPS. Recurring quality of work deficiencies and material omissions to work processes may result in disincentive deductions. The PBCA is expected to perform the following actions, listed by IBPS, in order to meet the San Francisco Hub's quality levels:

IBPS #1 Management and Occupancy Reviews

The PBCA:

1. Enters the scheduled date in REMS for all scheduled reviews. The scheduled dates should be entered after the annual work plan has been approved and should be modified after schedule changes have been accepted by the CAOM.
2. Follows all the instructions contained in the current HUD Form 9834 or the new 12/02 version, whichever is in effect, in performing the three-part MOR.
3. Fills in all the relevant entries and addendums on HUD Form 9834. Includes a statement on the Summary Report that "The rating given in the MOR does not include any in depth review of the property's financial condition".
4. Clearly states all "M" and "I" findings in the report including references to the sections of HUD rules, regulations or State law(s) that are violated.
5. Clearly states all the required actions needed to address the "M" and "I" findings with specific time frames for completion.
6. Provides clear and concise entries on questions requiring reviewer comments. The answers given address all the issues that were raised.
7. Issues the report to the property owner/agent and to HUD within 30 days of the review.
8. Follows up to assure that the owner/agent submitted adequate responses to close out the MOR.
9. Makes use of the current audited annual financial statement (AFS) to determine areas that may need scrutiny during the MOR such as unusually high disbursements or disbursements that seem contrary to conditions.

IBPS #2 FH&EO Reviews

The PBCA:

1. Completely fills out Parts A, B, C, D, Sections II and III of Addendum B to HUD Form 9834 (12/02 version).
2. Provides clear and concise entries of questions requiring reviewer comments. Answers address the issues raised.
3. Obtains a new Affirmative Fair Housing Marketing Plan (AFHMP) if needed
4. Sends Addendum B to HUD within 30 days of the review.

IBPS #3 Rent Adjustments

For budget-based rent increases the PBCA:

1. Uses HUD's electronic spreadsheet (or equivalent) to determine the new rents.
2. Assures the management fees are in compliance with established HUD Field Office guidelines and enters the correct management fee percentage on the spreadsheet.
3. Uses the current audited annual financial statement (AFS) to determine if budget items exceed the previous year's annual financial statement by 5% or more. If they do, the

PBCA must determine if it has supporting documentation from the owner/agent and that all other increases are supported by the owner/agent's narrative. Investigates all unusual or costly increases regardless of the percentage.

4. Maintains communication with the owner and with HUD to discuss budget entries that may need adjustment.

For OCAF-based rent increases the PBCA:

1. Uses the correct OCAF percentage in effect on the renewal date of the contract.

For both budget-based and OCAF rent increases the PBCA:

1. Specifies the new Reserve for Replacement deposit required by the rent increase in the Rent Determination Letter.
2. Reviews existing PBEs (utility allowances) to determine if the amounts are still adequate and reasonable.
3. Accurately determines the effective date of a rent increase in accordance with local laws and regulations regarding notice requirements.
4. If the rent increase exceeds 5%, submits the complete package to the HUD Field Office for approval.
5. Completes the rent processing and sends a determination letter, with the approved rent schedule or Exhibit A, to the owner/agent within 30 days. Days that a rent increase exceeding 5% are in the HUD Field Office do not count as part of the 30 days.
6. Sends the approved rents to HUD for funding

IBPS #4 Opt-Outs and Contract Terminations

There are no quality of work issues other than timeliness (opt-out notices are to be forwarded to HUD within 1 business day of their receipt) and accurate and timely REMS data entry for this IBPS.

IBPS #5 Resident Data

The PBCA:

1. Submits preliminary resident data to HUD at least 90 days prior to contract expiration or projected termination.
2. Provides accurate and up-to-date tenant data to HUD and to the Housing Authority for issuance of vouchers. Uses the latest resident database.

IBPS #6 Voucher Review and Payment

The PBCA:

1. Assures that all monthly vouchers from owners/agents are reviewed and paid no later than the first business day of the following month with the following exceptions:
 - a. If the owner submits the voucher after the tenth day of the month, the PBCA has 20 days from the date of receipt to review and submit the voucher to TRACS. The PBCA need not take all of this time however.
 - b. There is no available funding in LOCCS to pay the vouchers.
 - c. There is a delay in the transfer of funds from LOCCS to the PBCA's account. PBCAs are required to disburse the Section 8 funds to the owners/agents within

two business days of receipt.

2. Assures that active certifications are in TRACS for all tenants covered by the voucher.
3. Certifies to the CAOM as to the accuracy of all paid vouchers. Submits a hard copy document showing the payment to owners with amounts and dates.

IBPS #7 Notice of Corrective Actions

The PBCA:

1. Accurately calculates the amount of funds to be withheld and notifies HUD as to the actions that were taken to adjust the monthly voucher.
2. Prepares and submits the quality control tracking log as specified by HUD.
(Implementation of this requirement under the RHIIP initiative is temporarily suspended until further notice.)
3. Submits a Voucher Summary Report showing all vouchers paid and corrective actions performed.
4. Submits to HUD a notice of corrective action within 10 days of certifying the voucher. These corrective actions can be summarized in the monthly Voucher Summary Report.
5. Resolves overpayment issues by completing the required corrective action within 30 days of certifying the voucher.

IBPS #8 Tenant Income Verification-----Suspended

IBPS #9 & 10 Health and Safety Issues

The PBCA:

1. Correctly determines the severity of the problem being reported.
2. Relays life-threatening issues to the owner within one hour of receipt and follows up with the tenant to make sure that the issues have been resolved.
3. Relays non-life-threatening issues to the owner within two business days of receipt and follows up with the tenant at least once every two weeks until the issues have been resolved.
4. For each type of call maintains logs that contain at a minimum: the date and time when the call was received, the name and phone number of the caller, synopsis of the call, the action taken by the PBCA and the resolution reached.
5. Confirms that the PBCA's toll-free number is displayed at every property.

IBPS #11, 12, and 13 Annual Budgets, Requisitions, Year-End Statements, HA Audits

There are no quality issues with these other than the AQL requirements:

The PBCA shall submit:

1. Budgets and annual requisitions ninety days before the PBCA's fiscal year
2. Revised budgets and annual requisitions to reduce future payments by the first day of the month following identification of overpayments
3. Year-end statements within forty-five days after the end of the PBCA's fiscal year
4. For a PBCA subject to OMB Circular A-133, unaudited financial statements within sixty days and audited financial statements within nine months after the PBCA's fiscal year end

5. For a PBCA not subject to OMB Circular A-133, unaudited financial statements within sixty days after the PBCA's fiscal year end
6. For a for-profit instrumentality PBCA, audited financial statements within sixty days after the PBCA's fiscal year end

IBPS #14 Contract Renewals

The PBCA:

1. Contacts the owner if a renewal package is not received 120 days in advance of the contract's expiration.
2. Assures that the contract renewal package is complete and acceptable and that all documents for the chosen renewal option are completed and signed. Returns incomplete packages to the owner/agent.
3. Enters the date of receipt of a complete package in REMS to start the processing.
4. Sends a copy of the renewal package to HUD.
5. Enters a new renewal record in REMS.
6. Assures that rent increases that accompany renewals meet the standards of IBPS #3 above.
7. Requests funding from the local HUD Field Office.
8. Updates the Renewal Status in REMS.
9. Prepares a HAP renewal contract and sends it to the property owner for signature.
10. Forwards executed contracts to the local HUD Field Office and to the Fort Worth accounting center.
11. Renews contracts within 60 days of receipt of the complete renewal package.
12. Submits documentation adequate to support excusable processing delays such as dates to HUD for funding or copies of follow-up letters to the owner. Excusable delays are classified as those delays beyond the PBCA's control such as unavailability of HUD funding, unreasonable delays caused by the owner/agent or HUD staff, and acts of God.

IBPS #15 General Reporting Requirements

The PBCA:

1. Submits the reports to HUD on time.
2. Submits a monthly report to the CAOM and the SPM no later than the tenth business day of each month that will include all actions performed with respect to the items scheduled in the Annual Work Plan for each IBPS.
3. Assures that the reports address current and ongoing actions and accomplishments that relate to the present and previous months. For example, accomplishments for April and May are addressed on the May report.
4. Makes sure that the benchmark dates claimed on the monthly reports match those in REMS.
5. Provides adequate documentation to support any claimed excusable delays when timeframes exceed those allowed in the AQLs.
6. Assures that quarterly reports include issues not resolved in the monthly reports.
7. Assures that year-end reports include the Annual Work Plan for the upcoming year.
8. Assures that the work plan includes all scheduled actions such as management reviews, rent adjustments and contract renewals.

IBPS #16 Monitoring Physical Inspection Results

The PBCA:

1. Confers with the local HUD office on properties with REAC scores below 60 to determine the appropriate follow-up actions.
2. Contacts (first by phone and then in writing) the property owner/agent as soon as the PBCA becomes aware of unmitigated EH&S findings at a property and enters in REMS a physical inspection tracking event of "Owner Notified of Outstanding EH&S Deficiencies."
3. Upon receipt of the owner's certification that all EH&S findings have been mitigated, enters into REMS a physical inspection tracking event of "Owner Confirmed that EH&S Deficiencies have been Mitigated." The certification must have the HUD-required standard certification language, be on the owner's letterhead, and be signed by the owner. If the certification is signed by the property manager, the PBCA must verify that the owner has specifically authorized the property manager to sign such certifications as his agent.
4. Continues to follow up with the property owner/agent if the owner's certification is not received.
5. If the owner refuses to mitigate any EH&S issue, enters a physical inspection tracking event of "Owner Failed to Confirm that EH&S Deficiencies have been Mitigated" and notifies the project manager in HUD.
6. Monitors HUD-mandated remedial actions and reports progress every 10th business day of the month until the actions are completed.

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